



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

February 8, 2010

Dan Cabral, Team Leader, Engineering Services
Disneyland Resort
1313 So. Harbor Blvd
Anaheim CA 92802

Dear Mr. Cabral:

RE: FINAL MONITORING VISIT REPORT for Disneyland Resort – ET08-0246

Date of the Visit:	11/17/09
Beginning/Ending Time:	8:00 a.m. – 9:30 a.m.
Date of Last Visit:	7/22/09
Visit Location:	Santa Ana
Persons in attendance:	Charmaine Howard, Manager, Manufacturing Planning & Systems, Disneyland Resort; Dan Cabral, Team Leader, Engineering Services, Disneyland Resort; John Areguin, Training Integration Manager, Disneyland Resort; Joe Davey, ETP Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	12/17/07 – 12/16/09	Agreement Amount:	\$1,080,000
Training Start Date:	12/17/07	No. to Retain:	291
Date Training must be Completed:	9/17/09	Range of Hours:	24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	60

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FINAL REPORT SUMMARY:

- ***HISTORY OF AGREEMENT CHANGES***

The Agreement was executed on 1/21/08 and training began on 12/17/07. Your staff reported that all training was completed on 9/17/09, which allows for the 90-day retention period to be completed within the term ending date of the Agreement – 12/16/09.

There were no Agreement Modifications or Amendments to the Agreement.

- ***INTERVIEW WITH Dan Cabral, Manager, Global Quality Systems Training***

Mr. Cabral reported that the biggest barrier Disneyland Resort in meeting its performance goals was the layoff in late 2008 and early 2009. He reported that the economic decline led to the layoff of 200 to 300 cast members, including the previous ETP project administrator. As a result of the downsizing, training was curtailed and delayed for several months. Despite the downsizing, however, Disneyland was able to conduct a great deal of training.

Mr. Cabral reported that the major issue with ETP's record keeping requirements was difficulties in uploading data on to ETP's websites from the Disneyland LMS. There were several file formatting issues that were time consuming. Once they were fully understood and corrected, there were no further issues.

Mr. Cabral reported that ETP technical assistance was good and that he could not think of anything further that might assist future applicants.

Mr. Cabral reported that the primary benefit of the ETP-funded training was the ability to train more employees than would have occurred otherwise. ETP-funded training allowed the resort to conduct more training in a wider range of topics. Training also allowed employees to move from one job to another in the resort, giving the resort more employees skilled in different areas.

At the time of the visit, Mr. Arreguin provided Mr. Davey with projected statistics for the closeout of the Agreement. He reported that there may be additional drops as he reviews the current status of some trainees who left the company. He reported that a total of 827 trainees had reached at least the minimum 24 hours for potential full reimbursement eligibility for a reimbursement amount of \$741,690 (68.7% of the encumbered amount). Mr. Davey reminded those present that the closeout invoice should be submitted no later than 30 days after the end term date of the Agreement (1/16/10). Mr. Arreguin stated that he will try to submit the closeout invoice no later than 1/16/10.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Job Number	Number Started Training	Number Enrolled in Training	Number Trainees Tracked	Number of Trainees Dropped (following enrollment)	Number of Trainees Completed Minimum Hours	Number of Trainees Completed all Training (in Reten.)	Number of Trainees Completed Retention
1	1,400	1,363	1,334	567	796	796	796
2	28	28	28	8	20	20	20
Totals:	1,428	1,391	1,362	575	816	816	816

Statistics above are current as of the date of the report.

PROJECT ADMINISTRATION/TRACKING:

As of the date of this report, Disney has submitted 20 invoices for 821 trainees (801 in Job 1 and 20 in Job 2) for the first and second progress payments (P1 & P2), with 816 trainees having completed training, the 90 day retention period, and in the process of final review. (Five trainees who completed training and received a P2 payment were not submitted for final reimbursement.) ETP records show that Disneyland Resort has submitted 20 invoices and has received \$556,042.50, none of which has been earned. However, if all 816 trainees meet all eligibility requirements for full reimbursement, Disneyland is eligible to earn \$760,380. The table below shows the current project performance and reimbursement potential, provided all terms and conditions of the Agreement are met:

	Job 1:	Job 2:
No. Trainee(s) completed the minimum required hours is:	796	20
Total recorded Class/Lab hours are:	49,214	1,478
Total recorded Class/lab hours (for trainees @ 24 min. hours) are:	49,214	1,478
Total amount eligible to earn:	\$738,210	\$22,170
Grand total amount eligible to earn:	\$760,380	

RECORD KEEPING & LMS REVIEW:

During the final monitoring visit Mr. Davey conducted a test of Disneyland Resort's Learning Management System (LMS) for compliance with ETP's record keeping regulations (CCR, 4442 and 4442.2) and the terms and conditions of the Agreement. Mr. Davey requested Mr. Areguin

to demonstrate and print out reports of selected training data uploaded to ETP's class/lab tracking system and submitted for potential reimbursement to determine if that data matched data on the LMS in a form and manner compliant with the above-mentioned requirements. Mr. Davey requested a printed report for training conducted on 2/26/09 in Commercial Skills for all trainees who were trained and listed on roster number 30126820. In addition, Mr. Davey requested to print out specific training data for a selected trainee on 2/11/09 and 9/10/09.

After conducting a search of the request on the LMS, Mr. Areguin reported that he would have to gather data from different sources in the LMS to complete the request. He reported that it would take a significant amount of time to filter LMS data to create a report. Mr. Davey asked Mr. Areguin if he could e-mail the reports requested and Mr. Areguin said that he would.

Note: Subsequent to this final monitoring visit, Mr. Areguin reported that there had been a data integrity issue with previously uploaded data to ETP's website. He reported that data for the month of October 2008 had been lost on the class/lab tracking system. Mr. Areguin contacted ETP's ITU staff to fix the problem during late November and December. As of the date of this report, the data issue appears to be solved. However, the reports Mr. Davey requested during the final monitoring visit have not been e-mailed.

It should also be noted that Disneyland's LMS was previously approved by ETP for electronic record keeping purposes. During the approval process, Disneyland was able to print out requested reports to verify compliance with ETP record keeping requirements. Subsequent to the approval, however, Disneyland's in-house administrator was laid-off. Consequently, it has taken some time for his replacement to familiarize himself with ETP reporting requirements. However, collecting and uploading training data has continued throughout the agreement term.

In addition to the LMS data request above, Mr. Davey and those present during the meeting discussed preparation for a potential audit. Mr. Cabral reported that one issue that affects the date training occurs is that the third shift ("graveyard") workers may conduct training over two days; that is, training may begin at 11:00 p.m. on one night and conclude in the early morning of the next day. Mr. Davey reported that as long as the training is consistently reported and explained to audit staff, there should be no issue with training that occurs in this way. Mr. Davey also reported that, in the event of an audit, ETP's audit staff will review actual LMS data. The LMS data itself must meet ETP requirements as stated in the Agreement (Section V., General Provisions; Item G. Rosters) and CCR, 4442 and 4442.2. Mr. Areguin reported that he is developing a reporting system that will be able to gather and report all relevant ETP documentation requirements in preparation for a possible audit.

AUDIT:

Disneyland Resort will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk audit (or "review"). These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment

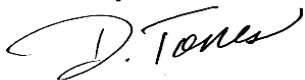
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:


Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Joe Davey at (619) 686-1919 or at JDavey@etp.ca.gov, within ten (10) working days from the receipt date of this letter.

Sincerely,



Diana Torres, Manager
San Diego Field Office



Joe Davey, Contract Analyst
San Diego Field Office

cc: John Areguin, Training Integration Manager, Disneyland Resort

Kulbir Mayall, Manager Fiscal Unit
Master File
Project File
Final Report File

Date report mailed to Contractor February 16, 2010